



Latest developments in foreign investment control

## Italy imposes national security conditions on Whirlpool home appliances deal

Julie Masson  
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Italy has exercised its “golden power” law to clear Whirlpool’s majority stake sale of its European domestic appliances business to Turkish rival Arcelik, reportedly conditioned on remedies aimed at safeguarding technological assets, production facilities and employment.

Whirlpool announced its plans to sell off 75% of its European business to Arcelik in January, creating a new standalone business in the European home appliances sector. The deal involves selling four plants located in Lombardy, Tuscany and the Marches, which together employ roughly 4,638 people, according to local news outlets.

While GCR obtained confirmation from sources familiar with the matter that the government did invoke the golden power law and has conditionally cleared the deal, the details of the remedies are unknown because the Council of Ministers – the country’s principal executive body– has not yet published its decision.

On Monday, Reuters cited a ministerial source as revealing that the government blessed the transaction with conditions that prevent plant closures and job cuts while protecting “local technological know-how”.

Whirlpool, Arcelik and the office of the Council of Ministers were contacted for comment.

The golden power law was introduced in 2012 and empowers the government to intervene in investments and deals in the defence, national security and key infrastructure sectors. During the covid-19 pandemic, the law was updated to also include certain assets of strategic importance such as energy, transportation, communications and high-tech industries.

The law was further [amended](#) in March 2022 to provide more oversight over deals involving 5G and cloud technology.

The Italian government exercised these powers last year to [unwind](#) the completed sale of a 75% stake in drone maker Alpi Aviation to state-owned Chinese investors and to [block](#) Chinese robot maker Efort Intelligent Equipment's proposed €2 million investment in domestic robotics company Robox.

The former deal was the first time the government had ever used its national security power law to unwind an already-completed deal while the latter decision marked the fifth time the law was invoked to examine China-related deals since former Prime Minister Mario Draghi was elected in 2021.

While the country's national security power has captured many China-related transactions, current far-right Prime Minister Giorgia Meloni – who took office in October – has already [scrutinised](#) several deals unrelated to China under this law in addition to the Whirlpool merger.

Meloni [blocked](#) Dutch-based cloud services provider Nebius' proposed purchase of Italian rival Tecnologia Intelligente in March over concerns over the buyer's connections to Russia-based Yandex.

She also reportedly [conditionally approved](#) Cypriot private equity firm G.O.I. Energy's acquisition of a Lukoil-owned refinery ISAB plant after the former guaranteed it would source oil from countries other than Russia.

Squire Patton Boggs partner Daniela Sabelli in Milan said it is not surprising that Meloni has “put strong attention” on investment in Italian companies that operate in strategically-important sectors, considering this trend was also adopted by her predecessor.

Sabelli added that the recent proliferation of golden power decisions appears to be “directly proportional to the increase” in notifications following the law's expansion.

Filippo Mazza, a partner at Ughi e Nunziante Studio Legale in Rome, said the Italian government has probably scrutinised more China-related deals than others because Chinese corporations have made so many investments in the past few years.

But whenever an Italian strategic asset is at the heart of a transaction, “it will be subject to government review and authorization regardless of the country involved,” Mazza said.

#### Counsel to Whirlpool

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#### Counsel to Arcelik

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